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SPRINT COMMUNICATIONS COMPANY L.P.
REVISED STATEMENT OF MARK T. SMITH
BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION
DOCKET NO. M-00960840
MARCH 11, 1997

Q. PLEASE STATE YOUR NAME, ADDRESS AND POSITION WITH SPRINT COMMUNICATIONS COMPANY L.P.

A. My name is Mark T. Smith. I am employed by Sprint Communications Company L.P. ("Sprint") as Director - Local Market Development. My business address is 1201 Walnut Bottom Road, Carlisle, Pennsylvania 17013-0905.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND, WORK EXPERIENCE AND PRESENT RESPONSIBILITIES.

A. I received my undergraduate degree from Purdue University in 1972 and completed my MBA from Webster University in 1982. I have been employed by Sprint for over 25 years with 18 years concentration on Regulatory issues and seven years in the Marketing organization. I began working for Sprint in 1972 in Indiana until 1976 when I was promoted to Sprint's Corporate staff in Kansas City. While in K.C., I completed my MBA and continued concentration on Regulatory issues until 1982. From 1982 to 1989 I was Director-Revenues for Sprint/United-Eastern, Carlisle, Pennsylvania. Key responsibilities included leading negotiations of present toll settlement plans for the State of Pennsylvania which impacted all +40 telephone companies. Under my direction, we developed the first interstate access filing with subsequent FCC approval. I have filed, testified and negotiated local and toll tariffs before the PA and NJ public service commissions and House of Representatives and Senate

telecommunications committees. From 1989 to July, 1996 I was Director-Network Markets for Sprint/United Eastern, Carlisle, Pennsylvania. I held four key Director level positions in the Marketing organization which included strategic Market Planning, Consumer and Business product management. My most recent Marketing assignment included directing the Seamless Sprint operation for PA and NJ along with the ICSC operations which maintains the business office functions for interexchange carriers. In July 1996, I assumed my present position with responsibilities to include representation of Sprint in interconnection negotiations with Bell Atlantic. In addition, I am responsible for coordinating Sprint's entry into the local markets within all seven of the Bell Atlantic jurisdictions.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of this testimony is to provide input to the Pennsylvania Utility Commission on operational support system ("OSS") issues relevant to Docket No. M-960840, *In re: Implementation of the Telecommunications Act of 1996; Bell Atlantic-Pennsylvania's Entry Into In-Region InterLATA Services Under Section 271.*

Q. WHY IS IT IMPORTANT FOR SPRINT TO PROVIDE INPUT TO THIS DOCKET?

A. Sprint is in the process of negotiating a Resale and Facilities Interconnection Agreement with Bell Atlantic in all Bell Atlantic jurisdictions. Additionally,

Sprint has been very active in pursuing BA for testing of Operational Support Systems (OSS).

Q. ARE OPERATIONAL SUPPORT SYSTEMS RELEVANT IN THIS DOCKET?

A. Yes. The competitive checklist in Section 271(c) of the Act requires nondiscriminatory access to network elements. OSSs have been defined as a network element by the FCC in its First Report and Order in CC Docket No. 96-98 (issued August 8, 1996). More specifically, Bell has an obligation to provide new entrants nondiscriminatory access to the systems utilized for the various OSS function, Pre-Order, Ordering & Provisioning, Maintenance, Usage and Billing.

Q. VERY BRIEFLY, DESCRIBE THE OSS FUNCTIONS.

A. "Pre-Order" can be described as preparatory work necessary to submit an accurate and complete order. Pre-Order includes things like address verification, services & features availability, telephone number assignment, dispatch scheduling, establishment of due date, and customer service records. This information is obtained from the ILEC.

"Order/Provisioning" is the function of actually submitting the necessary information to the ILEC so that service can be installed. The order includes

among other things the information from the Pre-Order function. It also includes feedback from the ILEC to the CLEC regarding confirmation of order receipt, order completion, etc.

"Maintenance" is the function utilized by the CLEC to report and monitor problems with services provided over the ILEC's facilities. It includes generation of trouble reports, troubleshooting, status updates, reporting, etc.

"Usage" is the function where the ILEC sends to the CLEC the information necessary for the CLEC to bill its end users. An example of this is the call detail records created when a CLEC end user makes a telephone call.

"Billing" is the function whereby the ILEC submits information to the CLEC for the services the ILEC has provided to the CLEC, i.e., the wholesale invoice for services resold by the CLEC.

The most critical functions as determined by the impact to the end user includes Pre-Order, Ordering & Provisioning, Maintenance and Usage. It's imperative that these functions provide nondiscriminatory access as described previously.

Q. WHAT IS MEANT BY NONDISCRIMINATORY ACCESS?

A. Nondiscriminatory access in this regard means the OSS interfaces must provide (1) equivalence to the ILEC for information availability, (2) equivalence of information accuracy, and (3) equivalence of information timeliness.

Q. WHY IS NONDISCRIMINATORY ACCESS NECESSARY?

A. Nondiscrimination, sometimes referred to as parity, is a prevalent theme throughout the Act and the FCC's First Report and Order. It is the standard that has been set to ensure an environment is created that is conducive to competition. A lesser standard would certainly hinder competition. When all agree the goal we are trying to accomplish is to create an environment where effective competition can take place, no one can disagree that anything less than nondiscriminatory access to OSSs is necessary to accomplish our goal.

Q. DO THE BELL OSS INTERFACES MEET THE STANDARD OF NONDISCRIMINATORY ACCESS?

A. Not in my opinion. Although Bell is developing interfaces for each of the OSS functions, the two primary concerns are: (1) the interfaces are not currently available; and (2) the proposed OSS interfaces are only interim solutions.

Q. DO BELL ATLANTIC'S PROPOSED OPERATIONAL INTERFACES MEET SPRINT'S REQUIREMENTS AS A CLEC?

A. No. The mere fact that Bell Atlantic has provided Electronic Data Interface specifications does not guarantee that they actually work or that they will in fact provide parity in performance to the ILEC's internal systems. Timely access to customer information, service establishment, and trouble resolution will determine the ultimate success or failure of any competitor. Especially in a resale mode, the quality of the product that Sprint will be able to offer is directly dependent on the quality of Bell Atlantic's services. Actual implementation of operational interfaces between Sprint and Bell Atlantic will be a complex and detailed procedure. Until Bell Atlantic's proposed operational interfaces have been implemented and are actually working in practice, Sprint will not know whether they meet Sprint's requirements or, for that matter, the requirements of the Act and the FCC. Bell Atlantic is not meeting Sprint's requirements.

Q. PLEASE EXPAND ON YOUR CONCERN WITH THE INTERIM INTERFACES.

A. Bell, like many other ILECs, is proposing "customized" electronic interfaces that reside in front of many of the systems the ILEC uses itself. These may or may not provide the nondiscriminatory access that is required. As previously mentioned, until a system is

operational in a real world environment, it cannot be determined if the system interface is adequate. This is true for the interim interfaces and certainly true for the longer term interfaces, since to my knowledge, these interfaces haven't even been designed, let alone tested and released, to the CLEC community.

Q. WHAT HAS BEEN SPRINT'S EXPERIENCE WITH BELL ATLANTIC IN PURSUIT OF TESTING OSS?

A. In November, Sprint was asked by Bell Atlantic if we had an interest in participating as a testing partner along with approximately six other CLEC's. I responded indicating that Sprint would like to be a participant. During a meeting on December, I was informed that Bell Atlantic had changed their mind and that a lottery would be held to select their sole test partner. It is my understanding that a small Chicago based firm is the test partner and testing has been limited to small numbers of customers. To date, no testing results have been made available to Sprint. During the first week in March, 1997, Bell Atlantic asked me if Sprint would "stress test" their PA OSS beginning in April. Sprint has again agreed to participate in Bell Atlantic's request pending Sprint receiving a myriad of data requests-among which is the definition of Bell Atlantic's testing requirements for an alpha test.

Q. HAS BELL ATLANTIC BEEN RESPONSIVE TO SPRINT'S REQUEST FOR DATA TO SUPPORT OSS TESTING?

A. While Bell Atlantic has provided some data to Sprint, critical information is still missing which includes a test bill file format, daily usage file format, ECG availability and requirements, and a demonstration program to name a few. Since Sprint had been requesting OSS testing information since the fourth quarter of 1996, I formalized our request in December and updated the request again in February. To date, we still have not received all of the necessary information.

Q. WHY IS SPRINT CONCERNED ABOUT THE TIMELINESS OF RECIEVING THE REQUESTED DATA FROM BELL ATLANTIC?

A. As stated previously, the testing process is a two-way exchange of information and Sprint cannot finalize it's systems interface design until Bell Atlantic has provided adequate detailed system information to allow Sprint to complete the process.

Q. HAS BELL ATLANTIC ATTEMPTED TO ASSIST THE CLEC INDUSTRY IN OSS TESTING?

A. Bell Atlantic has held two Reseller Conferences to assist the CLEC industry. The first was held on December 17 which was very high level in nature and did not provide any detailed information needed by Sprint to complete our interface systems. The second workshop was held on February 11-12 and again, little

detailed information was provided, especially in terms of discussing processes and electronic interfaces that offer parity between Bell Atlantic and Sprint.

Q. WILL SIGNING A CONTRACT WITH BELL ATLANTIC PROVIDE ASSURANCE FOR OPERATIONAL PARITY IN A MANNER THAT WILL ALLOW SPRINT TO BE COMPETITIVE IN THE LOCAL MARKET?

A. It is not enough that the ILECs offer CLECs access and interconnection to their services and elements and say, "Come and get it." For local competition to occur, the ILECSs must provide CLECs services and interconnection to those services that enable CLECs to provide services to their customers at least equal in quality and timeliness to that offered by ILECs to their customers. Enabling goes beyond the ILECs just committing to provide the CLECs the same level of service which they provide their end users today; it means, the ILECs must provide the same level of service which they provide themselves internally to provide their end user service. The ILECs should treat the CLECs as the large customers that they are or will be and provide exceptional communication and cooperation to make the ILEC services work for the CLECs in a sustainable and seamless manner. ILEC performance measurements on operational parity should not only compare how the ILECs are performing for CLECs compared to the ILECs' end users, the measurements should also compare what ILECs do for themselves compared to what they do for CLECs. For instance, how long does it take to install a local loop after Bell Atlantic internally requests one for their own purposes versus how

long does it take for Bell Atlantic to install a local loop at a CLEC's request? Or, how quickly does Bell Atlantic notify themselves (through database updates or reports to customer service) of a missed due date versus how quickly does Bell Atlantic notify a CLEC of a missed due date and what percentage of due dates are missed for Bell Atlantic versus CLECs. Additionally, Bell Atlantic and other ILECs should willingly provide these internal Bell Atlantic measurements to CLECs, in order for CLECs to develop their product plans.

Q. WILL THE AGREEMENT YOU ARE NEGOTIATING WITH BELL ATLANTIC PROVIDE THE FRAMEWORK FOR OPERATIONAL PARITY ENSURE THAT OPERATIONAL PARITY WITH BELL ATLANTIC CAN BE ATTAINED?

A. No, it does not. The Sprint and Bell Atlantic steps from contractual agreement to operational readiness are many and complex. This complexity is heightened when Sprint moves from resold services to unbundled services and interconnection services and new processes and interfaces between Sprint and Bell Atlantic must be designed and implemented. The Agreement is merely the first step in defining customer requirements. The next steps for implementing operational readiness for just the resold services aspect include:

- designing the interfaces and processes to meet the customer requirements,
- building the interfaces and processes as designed,

- Alpha testing the interfaces and processes under stress to stimulate what will happen when large volumes and various types of end user customers begin using Sprint's local services (which utilize Bell Atlantic's underlying services),
- correcting problems identified in Alpha testing,
- Beta testing how the systems work with a select number of "friendly" customers,
- correcting problems identified in Beta testing, and finally
- market launch

Furthermore, local service operations have many components that require specific interfaces and processes between Sprint and Bell Atlantic. Using broad categorizations, these components are pre-order, order, trouble-reporting and maintenance, and billing. Each category must be dealt with separately and as a combination in the steps listed above.

Q. AT WHAT STAGE ARE SPRINT AND BELL ATLANTIC IN OPERATIONAL READINESS FOR SPRINT LOCAL MAREKT ENTRY IN PENNSYLVANIA?

A. We are at the very beginning, designing the interfaces to Bell Atlantic's process and operational support systems to meet our customer requirements as specified in the Agreement. While Bell Atlantic has offered several interface systems for Sprint to place resold service orders; some of which appear to be the same systems which Bell Atlantic uses for its own orders, these systems have not been tested for CLEC services nor do they offer Sprint the ability to attain full operational parity with Bell Atlantic.

Q. WHAT ARE THE ASPECTS OF OPERATIONAL SUPPORT SYSTEMS INTERFACE THAT SPRINT REQUIRES FOR OPERATIONAL PARITY?

A. The systems should (1) be fully mechanized with no manual intervention for all access and feedback between Sprint and Bell Atlantic, (2) provide parity access (in terms of functionality, response content, timing of accessibility and response, and priority of response) to the same operational support systems which Bell Atlantic uses for their own local services, (3) allow for full system flow-through (not require multiple manual entry of information from system to system) from Sprint to Bell Atlantic to Sprint, (4) conform to industry standards whenever possible, (5) provide real-time response capability (6) be fully tested prior to market rollout, and (7) be equally supported by Bell Atlantic in terms of documentation, help assistance, maintenance, and updates as the operation interfaces and systems which Bell Atlantic uses for providing local service to its own end users.

Q. WHY IS IT IMPORTANT TO SPRINT THAT OPERATION INTERFACES PROVIDE FULL SYSTEM FLOW-THROUGH?

A. Without full system flow-through, Sprint's orders are either having to be re-keyed on the part of Bell Atlantic representatives or re-keyed on the part of Sprint's representatives after the initial order entry. The process of having to enter the same data more than once introduces several problems; such as, typing errors and

unsynchronized databases. These types of problems can have serious negative effects on customer service and other areas of Sprint's local service business and subsequent ability to compete in the local market.

Q. IN YOUR OPINION, DOES BELL ATLANTIC MEET THE COMPETITIVE CHECKLIST?

A. No.

Q. IS SPRINT PROVIDING LOCAL EXCHANGE SERVICE, AS A CLEC, TO PENNSYLVANIA RESIDENCE AND BUSINESS CUSTOMERS PURSUANT TO AN APPROVED INTERCONNECTION AGREEMENT WITH BELL ATLANTIC?

A. No.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes it does.

CERTIFICATE OF SERVICE

I, Christopher Moore, certify that I have served copies of Sprint Communications Company L.P.'s following document in PA Docket Nos. A-310203F0002 and M-00960799 upon the parties listed below, via Federal Express or U. S. First Class Mail, postage prepaid.

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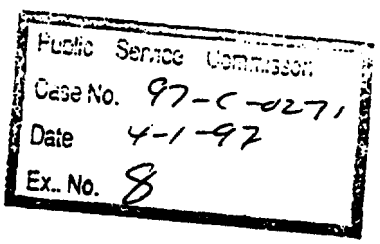
Before the
STATE OF NEW YORK
PUBLIC SERVICE COMMISSION



In re:	)	
	)	
Petition of New York Telephone Company	)	
for Approval of its Statement of Generally	)	
Available Terms and Conditions Pursuant to	)	
Section 252 of the Telecommunications Act	)	CASE 97-C-0271
of 1996 and Draft Filing of Petition for	)	
InterLATA Entry Pursuant to Section 271	)	
of the Telecommunications Act of 1996	)	

AFFIDAVIT OF ADALENE (NENE) SPIVY
on Behalf of MCI Telecommunications Corporation and
MCImetro Access Transmission Services, Inc.

I, Adalene (Nene) Spivy, being first duly sworn upon oath do hereby depose and state as follows:

1. My name is Adalene (Nene) Spivy. My business address is 601 South 12th Street, Arlington, Virginia 22202. I am employed by MCI Telecommunications Corporation as Manager of New Market Development within Mass Markets Local Services. In my current position, I am responsible for the product development, business process development, and external interface development necessary to support the entry of MCI Mass Markets into new local markets to serve residential and small business customers.

2. I have worked for MCI for the past seven years, both as a consultant and an employee. I have extensive experience in systems engineering, marketing and product development, and business process development. I have led product development

and market roll-out efforts to support MCI's local resale service for residential and small business customers. In addition to other product development experience with consumer and large business products, I have extensive systems engineering and operational experience with MCI's Access Service Ordering and Provisioning Interface. Before joining MCI, I worked for Andersen Consulting as a Senior and Staff Consultant within their Telecommunications Industry Group. While at Andersen Consulting my primary client was MCI. I hold an MBA degree from the University of Virgina, and a Bachelor of Science in Industrial Engineering and Operations Research from Virginia Polytechnic Institute and State University.

3. The purpose of my affidavit is to respond to New York Telephone Company's (NYT or NYNEX New York) contentions both (a) that it provides unbundled access to Operations Support Systems (OSS) functions in conformance with FCC regulations and (b) that its OSS systems and interfaces are fully ready and complete to satisfy the conditions for entry into the New York long-distance market set forth in section 271 of the Telecommunications Act. I conclude that NYT is not operationally ready from an OSS perspective to provide interconnection, unbundled network elements, or resale in a timely, reliable, and nondiscriminatory manner, and in quantities that may be reasonably requested by MCI and other competitive service providers.

4. My affidavit consists of two parts:

a. Part I provides a background discussion on OSS functions, their development, and the critical role they plan in the provision of local exchange service as well as the development of local competition.

b. Part II explains why NYT's OSS functions are not ready to provide

competitive local exchange carriers (CLECs) interconnection and access to unbundled network elements, such as loops, switches, and transport, in a timely, reliable, and nondiscriminatory manner, and why NYT's OSS functions for resale service are likewise "not ready for prime time."

5. In order demonstrate the particular ways in which NYT's OSS functions and interfaces are not operationally ready, I will specifically respond, where appropriate, to contentions raised in the Affidavit of Stuart Miller on behalf of NYT submitted in Volume 8 of NYT's draft FCC application (hereafter referred to as the "Miller Aff.").

I. The Critical Role of OSS to Local Competition

6. In order to appreciate the importance of OSS, it is necessary first to understand what OSS is and does. As one recent industry publication put it, "OSS includes everything that runs or monitors the network, such as trouble reporting or billing systems, but is not actually the network itself."[1] Stated otherwise, OSS consists of all the computerized and automated systems, together with associated business processes, that ensure a telecommunications carrier can satisfy customer needs and expectations. In today's environment, a carrier simply cannot compete without powerful and efficient operations support capabilities. It is customary and useful to distinguish five discrete business functions OSS serves: pre-ordering, ordering, provisioning, maintenance and repair, and billing, as is explained in the FCC's Local Competition Order.[2]

7. Like all Bell Operating Companies (BOCs), NYT has for years utilized

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[1] Ed Feingold, Making Sense of OSS, Billing World, Jan. 1997, at 21, 22.

[2] See Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, First Report and Order, at ¶¶ 515, 518, CC Docket No. 96-98, FCC 96-325 (rel. Aug. 8, 1996) (hereinafter "Local Competition Order").

highly complex OSS systems to manage its internal processes and customer interactions. These well-tested systems ensure, for example, that customer service representatives have immediate real-time access to all information necessary to respond fully and correctly to customer queries about such things as the variety and prices of services available, or the status of repair calls. They also ensure, among other things, that customer orders are correctly processed and that bills are timely, complete, and accurate.

8. NYT has implemented OSS to serve its own retail customers. Consistent with the Telecommunications Act of 1996, however, changes must be made to enable competition to develop in the local markets. To the extent new local service competitors such as MCI must rely on the network and OSS capabilities of the incumbent local exchange carrier (ILEC), it will be essential for the ILEC to develop and implement OSS interfaces and downstream processes sufficient to ensure that the ILEC can provide unbundled network elements and resale in timely, reliable, and nondiscriminatory fashion in volumes adequate to satisfy demand. Furthermore, the FCC's rules specifically require that ILECs develop interfaces capable of providing CLECs nondiscriminatory unbundled access to its OSS functions themselves. I understand this requirement to mean that ILECs must provide parity to requesting CLECs across three dimensions: scope of information available; accuracy of information supplied; and timeliness of communication.

9. The critical need for ILECs to develop systems and interfaces appropriate for a multi-carrier environment can perhaps best be understood by considering how highly developed and well integrated OSS systems already are in truly competitive industries. For example, I can call my travel agent and, in a short phone call, book and have confirmed a set of

flights with different airlines. I can even reserve a specific seat and a special meal. In the same call, I can get prices on, and/or reserve, a rental car and a hotel with a no-smoking room. If I am not sure which hotel I would prefer, my travel agent can help me choose one close to where my meeting is scheduled. What's more, the next day I can call my travel agent back and cancel or revise any element of my total reservation package. I can do all of this without ever speaking with a representative of any of the companies that provide the underlying services. In short, OSS systems and interfaces that work seamlessly among companies in real time are both essential for the development of efficient competition and feasible.

10. In order to determine whether an ILEC has satisfied the twin requirements that it has implemented OSS systems and interfaces capable of ensuring that it can "fully implement" the competitive checklist, and that it provides nondiscriminatory unbundled access to OSS functions and databases, two questions are key. First, are the interfaces and specifications the ILEC employs to communicate with the CLECs adequate to fulfill pro-competitive needs? Second, assuming the ILEC proposes to use a competitively acceptable interface to provide competitors access to a particular OSS function, has there been sufficient experience with the interface and associated systems and processes so as to ensure they will work "as advertised?"

Interfaces and Specifications

11. In theory, there are numerous ways a CLEC might be able to access ILEC OSS functions. One basic distinction is between automated access and manual access.

12. Manual access means that the CLEC's access is mediated by human intervention on the part of the ILEC. For example, when a CLEC orders a resale service or unbundled element manually, it ordinarily means that the CLEC transmits an order form to the

ILEC by facsimile, at which point an ILEC employee types the information supplied on the form into the ILEC's computerized order entry system. Manual intervention also occurs when, after information is exchanged electronically, an ILEC representative must re-enter or otherwise manipulate it before it can be processed downstream.

13. Manual access arrangements are simply not compatible with MCI's needs as a new entrant seeking to compete against an entrenched incumbent such as NYT. Every manual intervention causes delay, sometimes substantial, and creates significant risk of error. By relying upon manual interventions, the ILEC can hold its competitors hostage to its own response time, hours of operation, and ability (or incentive) to provide accurate information. As transaction volumes increase, manual interventions create huge bottlenecks at the points in the process where such processing is required. Also, manual arrangements increase CLECs' costs in two ways: CLECs must employ more people to handle the process and to audit the ILEC's performance; and the ILEC will try to pass its own inflated costs through to the CLECs. Accordingly, solutions that require manual intervention on the ILEC's side cannot be acceptable in either the short or long term. NYT does not argue to the contrary. As described in detail below, however, most of NYT's OSS functions for CLECs today require some degree of manual intervention.

14. Automated access means that information is exchanged between the CLEC and ILEC computers. This can be done through a variety of different interfaces and protocols that range widely in degrees of sophistication and utility.

15. The most sophisticated type of automated access is termed electronic bonding. Electronic bonding is defined by several different specific protocols, the most common